

**UNITED STATES DISTRICT COURT**  
**DISTRICT OF NEVADA**

MIRAE ASSET SECURITIES CO., LTD.,

Plaintiff,

v.

RYZE RENEWABLES HOLDINGS, LLC, *et al.*,

Defendants.

Case No. 2:23-cv-01492-APG-NJK

**ORDER**

[Docket No. 85]

Pending before the Court is Plaintiff's motion to compel further discovery responses. Docket No. 85. The Court has considered Plaintiff's motion, Defendants' response, and Plaintiff's reply. Docket Nos. 85, 95, 99. The motion is properly resolved without a hearing. *See* Local Rule 78-1.

**I. BACKGROUND**

The central issue in this matter is whether Plaintiff's former employee Kyung Hyun Lee ("Lee") had actual or apparent authority to bind Plaintiff to a loan agreement with Defendants that contained a binding arbitration provision. Docket No. 85 at 1. Plaintiff has propounded discovery on Defendants and asks the Court to compel appropriate responses. Docket No. 85.

**II. STANDARDS**

"[B]road discretion is vested in the trial court to permit or deny discovery." *Hallett v. Morgan*, 296 F.3d 732, 751 (9th Cir. 2002). When a party fails to provide discovery and the parties' attempts to resolve the dispute without Court intervention are unsuccessful, the opposing party may seek an order compelling that discovery. Fed. R. Civ. P. 37(a). The party seeking to avoid discovery bears the burden of showing why that discovery should not be permitted. *Blankenship v. Hearst Corp.*, 519 F.2d 418, 429 (9th Cir. 1975); *see also Carr v. State Farm Mut. Auto. Ins. Co.*, 312 F.R.D. 459, 469 (N.D. Tex. 2015) (addressing burdens following 2015 amendments to discovery rules). The party resisting discovery must state, in detail, the reasons why each request is irrelevant or otherwise objectionable, and may not rely on generalized, conclusory, or speculative arguments. *See, e.g., F.T.C. v. AMG Servs., Inc.*, 291 F.R.D. 544, 552

(D. Nev. 2013). Arguments against producing discovery must be supported by “specific examples and articulated reasoning.” *U.S. E.E.O.C. v. Caesars Ent.*, 237 F.R.D. 428, 432 (D. Nev. 2006).

### III. ANALYSIS

The discovery dispute before the Court arises out of two requests for production and three interrogatories that Plaintiff served on Defendants. Docket No. 85.

The discovery requests are:

- Documents related to Defendants’ procedures or requirements for review, negotiation, and acceptance of loan financing agreements (Request for Production No. 15)
- Documents related to Defendants’ tax liens or debts (Request for Production No. 22)
- Details regarding the due diligence Defendants conducted to determine whether Sung Hee Han had actual or apparent authority to act on behalf of Plaintiff (Interrogatory No. 10)
- Details regarding the due diligence Defendants conducted into whether Plaintiff’s investment committee had approved the loan transaction (Interrogatory No. 12)
- Details regarding the due diligence Defendants performed regarding Plaintiff’s negotiation and approval procedures (Interrogatory No. 16)

Defendants resist providing complete responses on two grounds. First, Defendants assert they have provided complete and relevant responses to the disputed interrogatories. Docket No. 95 at 3. Second, they assert that the requests are overly broad and disproportionate. *Id.* at 5. Neither argument justifies the failure to produce documents, or the lack of meaningful response to the interrogatories.

As to the first argument, the parties dispute the sufficiency of the responses already provided. A discovering party may seek relief from the Court with respect to interrogatory responses that are “evasive or incomplete.” See Fed. R. Civ. P. 37(a)(4); *see also* Fed. R. Civ. P. 33(b)(3) (interrogatories must be answered “fully”). An interrogatory response must be complete in itself, explicit, and responsive. *See, e.g., Scaife v. Boenne*, 191 F.R.D. 590, 594 (N.D. Ind. 2000) (collecting cases); *accord Lawman v. City & Cty. of San Francisco*, 159 F. Supp. 3d 1130, 1140-41 (N.D. Cal. 2016); *United States ex rel. O’Connell v. Chapman Univ.*, 245 F.R.D. 646, 650 (C.D. Cal. 2007). The sufficiency of an interrogatory response must be analyzed on a case-by-case basis

1 in light of the particular question being asked. 8B Charles Alan Wright, Arthur R. Miller, &  
2 Richard L. Marcus, FEDERAL PRACTICE AND PROCEDURE, § 2177, at 81 (3d ed. Supp.  
3 2019).

4 The Court finds that Defendants' interrogatory responses are deficient. First, in response  
5 to Interrogatory No. 10, Defendants respond by stating that "the diligence owed to the question of  
6 whether Mr. Han had authority to participate in meetings was little to none." Docket No. 85 at 8.  
7 Instead of discussing the steps Defendants took to determine whether Mr. Han had authority to  
8 represent Plaintiff, Defendants argue that there was little due diligence required. Second, in  
9 response to Interrogatory No. 12, Defendants respond that the due diligence "consisted primarily  
10 of direct communication with [Lee] and [Plaintiff's outside counsel]." *Id.* This is not a full and  
11 complete response as it does not inform Plaintiff what communication took place, the content and  
12 scope of the communication, etc. Lastly, as a response to Interrogatory 16, Defendants respond  
13 that they "ascertained that [Plaintiff] had an internal investment committee" and that they  
14 "ascertained as much through conversations with [Plaintiff's] representatives." *Id.* Here,  
15 Defendants do not list any actions they took, but only state what information they ascertained.  
16 Accordingly, Defendants' responses to Interrogatories 10, 12, and 16 are deficient and fulsome  
17 answers must be provided.

18 As to the second argument, the Court finds that the scope of the requests for production are  
19 not overly broad and are directed to relevant information. The Court is not persuaded by the  
20 relevance objection at bar because the documents related to Defendants' (1) general loan  
21 procedures and (2) financial condition are relevant to demonstrating Defendants' understanding of  
22 Lee's authority to enter the transaction, as well as Defendants' knowledge and motivation for  
23 accepting a loan transaction with Plaintiff.

24 Lastly, Defendants submit that Request for Production No. 15 is excessively broad and  
25 impractical as there is a "fundamental dispute" of what constitutes documents that "reflect  
26 practices." Docket No. 95 at 5. However, the Court does not see where documents are requested  
27 that "reflect practices." The Request for Production asks for "documents regarding [Defendant's]  
28 procedures or requirements for review, negotiation, and acceptance or rejection of any loan

1 financing agreement. *Id.* at 5. Defendants state that they do not maintain *written* procedures or  
2 requirements for review and acceptance of financing agreements. Docket No. 85 at 11. Plaintiff  
3 attempted to clarify and confirm that *no* documents and communications, not just written  
4 procedures, exist relating to procedures surrounding loan deals, yet Defendants refused to clarify  
5 and instead claimed the request did not seek this information. Docket No. 85 at 8. Now,  
6 Defendants submit that the request is overbroad because it encompasses “virtually every  
7 communication, note or document ever created by [Defendants] in connection with any credit  
8 transaction.” Docket No. 95 at 6-7. The Court is not persuaded by Defendants’ version of the  
9 request, especially considering Plaintiff’s attempted clarification. *See* Docket No. 87-13 at 6.

10 In response to Request for Production No. 22, Defendants assert that the request for tax  
11 lien documents is overly broad and burdensome. Docket No. 95 at 7. Yet, Defendants admit that  
12 lien searches from two months prior were already produced, *See* Docket No. at 7, and provide no  
13 further argument as to why the request is overly broad and burdensome.

14 Accordingly, Plaintiff’s motion to compel further discovery responses is **GRANTED**.  
15 Docket No. 85. The Court **ORDERS** Defendants to produce documents in response to Plaintiff’s  
16 requests for production and to supplement their interrogatory responses fully to describe the due  
17 diligence they conducted, no later than September 11, 2024.

18 IT IS SO ORDERED.

19 Dated: September 4, 2024

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23 Nancy J. Koppe  
24 United States Magistrate Judge  
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